



**AGENDA**  
**CITY OF AUSTIN EMPLOYEES' RETIREMENT SYSTEM**  
**BOARD MEETING**  
**Tuesday, November 25, 2014 – 1:30 PM**  
**418 E. Highland Mall Boulevard, Austin, Texas 78752**

1. System Member and Citizen Comments / Correspondence
2. Reports from Chairperson, Board Members, and Staff
  - A. Review of Meeting Agenda
  - B. Chairperson Comments
  - C. Ethics Policy Disclosure Statements
  - D. Reports on Educational Programs Attended
  - E. 2014 Board and Committee Meeting Schedule
  - F. Proposed 2015 Board and Committee Meeting Schedule
3. Consent Items

All of the following items may be acted upon by one motion. No separate discussion or action on any of the items is necessary unless desired by a Board Member

  - A. September 23, 2014 Board Meeting Minutes
  - B. October 10, 2014 Special Called Board Meeting Minutes
  - C. October 15, 2014 Annual Members' Meeting Minutes
  - D. Ratification of August and September 2014 Retirement and Death Benefits
4. Disability Committee Report & Disability Applications
  - A. Minutes and Report from November 4, 2014 Meeting
    - 1) Annual Disability Retirement Continuations
    - 2) Medical Consultant Annual Evaluation
    - 3) Disability Medical Review Services Presentation
  - B. Convene into Executive Session Pursuant to Sec. 13, Art. 6243n, Tex. Rev. Civ. Stat. and Sec. 551.0785 Texas Government Code, to Consider and Act on:
    - 1) Disability Retirement Application Ref. #0731
    - 2) Disability Retirement Application Ref. #4109
    - 3) Disability Retirement Application Ref. #6380
    - 4) Disability Retirement Application Ref. #2925
    - 5) Disability Retirement Application Ref. #1322
  - C. Reconvene into Public Session and Take Action as Determined Appropriate by the Board regarding:
    - 1) Disability Retirement Application Ref. #0731
    - 2) Disability Retirement Application Ref. #4109
    - 3) Disability Retirement Application Ref. #6380
    - 4) Disability Retirement Application Ref. #2925
    - 5) Disability Retirement Application Ref. #1322
  - D. Possible Board Action: Discontinuation of Disability Benefits if Required

5. Audit & Finance Committee
  - A. Minutes and Report from November 4, 2014 Meeting
    - 1) Annual Evaluation of Financial Auditor
    - 2) SAS Audit Plan Review/ GASB Update
    - 3) KPMG LLP Engagement Letter
    - 4) Commercial Insurance and Risk Management Briefing
    - 5) Annual Evaluation of Extended Auditor
    - 6) Padgett Stratemann & Co Proposal for Engagement
    - 7) Review of Outdated Policies BAP A-2 “Annual Report” & BAP B-1 “Building & Facilities Use”
    - 8) 3Q14 Financials
  - B. Possible Board Action:
    - 1) Approval of the KPMG LLC Engagement Letter
    - 2) Approval of the Padgett Stratemann & Co Engagement Letter
    - 3) Repeal of BAP A-2 “Annual Report” & BAP B-1 “Building & Facilities Use”
6. Benefits and Services Committee
  - A. Minutes and Report from November 4, 2014 Meeting
    - 1) Retiree Insurance Review
    - 2) Annual Evaluation of Actuarial Consultant
    - 3) Forfeiture of Death Benefits
    - 4) Funding Policy Discussion
  - B. Possible Board Action:
    - 1) Forfeiture of Death Benefits for David O.Sims and Jerry Dutton
    - 2) Approval of BAP F-2 “Funding Policy”
7. Report and Recommendations from Gabriel, Roeder, Smith & Company
  - A. Report on 2015 Retiree Annuity Adjustment Consideration
  - B. Report on Interest Allocation in January 2015
  - C. Possible Board Action:
    - 1) 2015 Retiree Annuity Adjustment Consideration
    - 2) Interest Allocation in January 2015
8. Investment Committee
  - A. Report from November 14, 2014 Meeting on the following:
    - 1) 3Q14 Investment Management Review
    - 2) Asset Class Review – US Equity
    - 3) Annual Review of Policy I-1 “Statement of Investment Policy”
    - 4) Due Diligence Site Visit Report
    - 5) Discussion of Northern Trust Services
    - 6) Investment Consultant Annual Evaluation
  - B. Possible Board Action:
    - 1) Board Approved Policy I-1 “Statement of Investment Policy”
    - 2) Northern Trust Services Agreement
    - 3) Northern Trust Securities Lending Collateral Fund Selection
9. Annual Board Evaluation

10. Executive Director's Report
  - A. Educational Opportunities
  - B. Retrospective Review 2003-2004
  - C. Trustee Election Update
  - D. Retirement Office News
  - E. Communications Update
  - F. Member and Employer News
  - G. Public Pensions in the News
  - H. Comparative Calculation and Retirement Activity Levels
11. Executive Session
  - A. Convene into Executive Session Pursuant to Tex. Government Code 551.074 to Deliberate the Appointment, Employment, Evaluation and/or Duties of the Executive Director
  - B. Reconvene into Public Session and Take Action, if any, as Determined Appropriate, Including Approval of an Employment Agreement

***This meeting shall be conducted pursuant to the Texas Government Code Section 551.001 et seq. At any time during the meeting, the Board reserves the right to adjourn into Executive Session on any of the above posted agenda items in accordance with the sections 551.071, 551.072, 551.073, 551.074, 551.075 or 551.076. System member and citizen comments will be limited to 3 minutes per person.***



Posted Date: November 21, 2014  
City Hall, Austin, Texas

Stephen C. Edmonds  
Executive Director